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ABSTRACT

The impact of market forces on negotiated salary guides for the hiring and retention of faculty was investigated through a survey of the collective bargaining agreements of four-year institutions. While the vast majority of the 117 contracts surveyed were silent on this issue, 16 agreements contained provisions. Fifteen provided for specific programs, while one contract referred the question to a joint study committee. Of the 15 contracts, 14 utilized the concept of salary adjustments for the purposes of retaining faculty, while 7 used it for hiring new faculty. The positions of the union and the college administration are summarized, along with the negotiated response by unionized institutions. Applicable clauses are presented from each of the 15 contracts of the following institutions: California State University, Minnesota State University System, University of Minnesota, Vermont State Colleges, Delaware State College, University of Delaware, Rio Grande College, University of Dubuque, Saginaw Valley State College, Ferris State College, Rider College, Boston University, Western Montana College, Eastern Montana College, University of Montana, and City University of New York. (SW)

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NEWSLETTER
NATIONAL CENTER FOR THE STUDY OF COLLECTIVE BARGAINING IN HIGHER EDUCATION AND THE PROFESSIONS

Published at Baruch College • City University of New York • Vol. 13 No. 4 • Sept/Oct 1985

"MARKET FORCES/MARKET EQUITY" PROVISIONS IN FACULTY CONTRACTS

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INTRODUCTION

It has often been said that faculty rarely read beyond the salary provisions of the Collective Agreement, leaving the overall terms and conditions of employment for union leaders and college officials to administer. After all, the salary clause is designed to insure equity and fairness in the recruitment and retention of faculty and to serve as a rational approach for compensating them. Yet, what happens when the salary schedule itself becomes an impediment to the recruitment and selection of faculty? College administrators on unionized campuses are now claiming that they cannot attract or retain faculty in the "hard to hire/retain" categories while union leaders see the problem as a temporary situation not warranting adjustments in the labor agreement.

In response to inquiries from our members, the National Center researched the issue of the impact of market forces on negotiated salary guides with respect to the hiring and retention of faculty in designated disciplines. This entire Newsletter is devoted to this question.

METHODOLOGY

A contract search was conducted of collective bargaining agreements in four-year institutions. While the vast majority of the 117 contracts surveyed were silent on this issue, 16 Agreements did contain provisions on this topic. Fifteen provided for specific programs, while one contract referred the question to a joint study committee. The applicable clauses from each of the 16 contracts are set forth below. An analysis of each clause was conducted to ascertain the treatment of specified variables. Our findings are set forth in the in the section entitled "Contract Analysis."

No survey was conducted of agreements at two-year institutions since this problem appears to be less critical in this setting.

The classification "hard to hire/retain" was designated as the generic term for faculty where market forces have had the greatest impact on salary differentials.

The National Center does not take a position concerning the negotiations of market forces clauses for "hard to hire/retain" faculty. However, consistent with its research mandate, the Center undertook this analysis as a service to our members who indicated a need for this information.

SUPPLY AND DEMAND OF LABOR

Traditional trade unionism dictates that all job trades and classifications within a designated grouping are equal, thus, using that precept each and every associate professor would be worthy of the same rate of pay. The union in the industrial setting views itself as a leveling influence and correspondingly insists that all jobs be paid at the same rate. Faculty contracts are not based on that principle and do not contain the limited salary ranges found in the industrial model, i.e., a hiring rate applicable for six months followed by the standard job rate.

The structural makeup of faculty salary schedules provides for numerous vertical and horizontal classifications based on a variety of factors. The horizontal categories are denominated by faculty rank, instructor to professor, while the vertical classifications are related to longevity. This is a clear departure from the structural design of industrial trade union model contracts and while the number of steps and lanes in academic contracts is not as numerous as those found in K-12 public school system agreements, it does set forth a fairly rigid structure. (For a complete analysis of salary and compensation in higher education faculty agreements, see National Center Newsletter Volume 11, No. 1, Jan./Feb. 1983).

It is often difficult to measure the impact of collective bargaining agreements on salary and

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compensation for unionized college faculty since the largest percentage of the professoriate are not covered by union agreements. Only 27 percent of faculty are unionized therefore, it must be assumed that the other 73 percent have their salary determined by the laws of supply and demand in the open marketplace, tempered and adjusted by the impact of existing negotiated agreements. This is not to suggest that the laws of supply and demand do not play a role in the determination of salaries in unionized employment relationships, however, the introduction of negotiated salaries do constitute, what the economists are fond of referring to as, interference in the free market. Since all faculty salaries are above minimum wage rates, the presence of a labor agreement creates an artificial floor in the structure of the supply and demand curves for labor.

The supply of labor is constantly shifting according to a variety of market forces. In today's academic marketplace, we see an increased demand for professors of certain business subjects, i.e., accounting, insurance, economics, computer science, mathematics, engineering and nursing, while at the same time the demand for certain disciplines has lessened.

While it is difficult to predict, with any certainty, future shifts in the supply and demand of labor, it is clear that there is dissatisfaction and concern over the apparent inflexibility of faculty salary structures. While there are those who will argue that the purpose of the salary structure is to limit discretion and subjectivity, others are moving away from that position towards inclusion of market forces clauses in the collective bargaining agreements.

POSITION OF THE UNION

Unions are forced to defend the legitimacy of salary schedules that pay certain faculty members less than the prevailing market wage rates would allow. While aware of the problem, unions view the issue as short range and see the resolution in the ability of the market to correct itself, citing several recent reversals in the hiring of faculty, most noteably in education and engineering. They claim that the creation of separate schedules will split the faculty and weaken the union.

In several colleges where separate schedules have been negotiated, the monies have been distributed from a special fund established for this purpose. However, questions remain as to whether these funds have been earmarked for this specific purpose or whether they have been diverted from the regular compensation pool?

The union's position may be summarized as follows:

- "hard to hire/ retain" is a short run problem subject to economic reversals in the marketplace.
- the marketplace will correct itself thereby alleviating the problem.
- erosion of salary schedules might cause a negative impact on the hiring of faculty where surpluses exist, i.e., lower salaries for English professors.
- sufficient management flexibility exists in the recruitment of new faculty.
- college administrators have exaggerated this problem and are using it as an anti-union device.

POSITION OF COLLEGE ADMINISTRATION

College administrators claim that the unions are obstacles to quality education by their refusal to allow for the hiring of designated faculty at rates above those negotiated for the regular faculty. Clearly, there are recognizable disciplines of study that, because of the uniqueness of the market, have now been found to be in the "hard to hire/retain" category. It is in these areas that relief is necessary. For the unions to insist that all faculty are equal and therefore, should be paid on the same schedule is inconsistent with the realities of the economic marketplace.

Using the concept commonly found in the sports and entertainment industries, unions could very well agree to minimum salaries and then allow individuals to negotiate their own salary consistent with the economic marketplace. This concept, well established in other professions, would be fair to the union, the individual and the employer.

Supplemental salary schedules offer some relief, however, they place the administration in the position of reacting to a given situation. It is this reactive position that limits administrators in their flexibility.

Clinical salary schedules currently exist in unionized institutions for medical, law and, in some instances, the performing arts faculties. Unions have accepted this practice as long as the schedule is negotiated and is part of the collective agreement. Administrators have suggested that perhaps new clinical schedules for business school faculties would be a means of alleviating the problem.

The position of college administration may be summarized as follows:

- damages the quality of education.
- damages the efficiency of education.
- immediate relief is needed for it might be years before the market adjusts itself.
- awarding of senior faculty rank with its higher salary schedule causes morale problems among junior faculty.
- all faculty are not equal in terms of their current market value.

THE NEGOTIATED RESPONSE

The response by unionized institutions has been varied and often creative. Set forth below are the provisions of the "market forces" and related clauses from the 16 agreements where this type of provision was identified.

California State University

The agreement between the California State University and the California Faculty Association contains provisions for "Market Condition Salary Supplements." It provides for a procedure designed to "ameliorate critical recruitment and retention problems of the campus in a teaching specialization for the current program of a department or equivalent unit." In order to accomplish this, the following clause was negotiated:

Market Condition Salary Supplements

Purpose

31.20 The purpose of a Market Condition Salary Supplement (MCSS) shall be to ameliorate critical recruitment and retention problems of the campus in a teaching specialization for the current program of a department or equivalent unit.

Procedure

31.21 A department or equivalent unit or administrator may recommend approval of an MCSS for a specific teaching specialization. Such recommendations shall include complete documentation and rationale supporting the critical nature of recruitment and/or retention problems within the teaching specialization.

31.24 The President may approve specific teaching specializations to receive MCSSs only from among those recommended.

31.27 The authorization of a teaching specialization may be effective for up to two (2) academic years.

31.28 Upon final authorization of the Chancellor, the CSU agrees to immediately meet and confer with the CFA regarding the bargaining unit impact of the teaching specializations and the MCSSs.

31.29 A probationary or tenured faculty unit employee whose primary assignment is in an authorized teaching specialization will normally receive an MCSS.

31.30 Recommendations regarding the award of an MCSS to an incumbent probationary or tenured faculty unit employee in an authorized teaching specialization shall be made by a departmental peer review committee and are subject to approval by the appropriate administrator. Such recommendations and decisions shall be based primarily on material contained in the affected faculty unit employee's Personnel Action File. If an MCSS is denied, the reasons shall be given in writing and this signed statement placed in the affected probationary or tenured faculty unit employee's Personnel Action File.

Funding

31.31 An MCSS authorization shall be expressed as a supplement to the base salary, not as a change in the faculty unit salary schedules.

31.32 MCSS authorizations shall be made on a year-to-year basis. However, MCSSs may not be implemented if it is determined by the President that funds are not available.

31.33 Funds for MCSS shall not be taken from promotion funds, merit salary adjustment funds, or general salary increase funds.

Minnesota State University System

In Minnesota, both the agreements between the Minnesota State University System and the Inter Faculty Organization/Minnesota Education Association and the agreement between the University of Minnesota and NEA/UEA contain contract clauses pertaining to market adjustments. The agreement between the State University System and the Inter Faculty Organization/Minnesota Education Association provides for special payments to be made for market factors. Specified disciplines eligible for market forces increases are delineated in the agreement; computer science, engineering, business administration including finance, marketing, management, accounting and management information science and nursing.

Section C. Market factors may be acknowledged by financial award or other forms of recognition. The distribution of money shall be contingent upon availability of funds.

A market factor adjustment shall be an annual non-recurring adjustment of up to 10% more than the salary indicated for that individual on the salary schedule. The following areas shall be designated as eligible for market factor increases.

1. Computer Science
   a. Doctorate in Computer Science, or
   b. Doctorate in related field with a master's degree or its equivalent in Computer Science
2. Engineering
   a. Doctorate in Engineering
3. Business Administration
   a. Doctorate in any of the following areas:
      1. Finance
      2. Marketing

3. Management
4. Accounting
5. Management Information Science

4. Nursing
a. R.N., M.S.N., and appropriate doctorate

The total funds to be distributed for market factors shall be $100,00 for FY 1985.

University of Minnesota

The University of Minnesota agreement allows for "additional salary improvement for purposes of market retention." It reads as follows:

> 503.000 Market Retention Adjustments -- 1984-1985. During the 1984-1985 academic year, Members at UMD and UMW shall be eligible for additional salary improvement for purposes of market retention under the same policies, procedures, and guidelines established for use throughout the University system. Individual awards made under this Section shall be grievable only under the provisions of Section 105.000 of this Agreement.

Vermont State Colleges

The agreement between the Vermont State Colleges and the Vermont State Colleges Faculty Federation also contains language pertaining to special needs and areas where recruitment or retention of faculty is difficult. The clause limits the percentage of bargaining unit members who may receive differentials to 15% at any one time. Set forth below is the provision from the Vermont Contract:

> F. 1. The Chancellor may (1) pay faculty in teaching fields where special needs exist or where competition for faculty makes recruitment or retention difficult a differential of not more than 25 percent of the salary called for by the salary schedule criteria in (A.) above and (2) withdraw the differential paid to faculty in teaching fields previously granted such differential provided that the Chancellor follows this procedure:
>
> a. The Chancellor shall identify a teaching field where he/she thinks a differential is (or is no longer) needed.
>
> b. The Chancellor shall ask the Review Committee in (B.) above to submit a report and recommendation as to whether a differential in said teaching field is (or is no longer) warranted and, if it is warranted, what it should be.
>
> d. After a review of the committee's report and recommendation and any other relevant data, the Chancellor shall decide if a differential in said teaching field is (or is no longer) warranted and, if it is warranted, what it shall be. The Chancellor's decisions shall not be subject to grievance and arbitration.
>
> 2. Upon the request of the Federation, the Chancellor shall ask the Review Committee whether a differential is (or is no longer) warranted. The Chancellor shall follow the procedure in (F.) (1.) above.
>
> 4. All faculty members in a teaching field where special needs exist or where competition for faculty makes recruitment or retention difficult, as provided in (F.) (1.) above, must receive a differential, and the differentials of all said faculty must be the same percentage of the salary called for by the salary schedule criteria in (A.) above.
>
> 5. A differential shall be included in a faculty member's base salary. It is not a bonus. Should the Chancellor decide that a differential is no longer warranted, the faculty member shall be red-circled at his/her current salary. Under no circumstances shall a faculty member's salary be reduced.
>
> 6. No more than 15% of the bargaining unit may receive a differential at one time.

Delaware State College

Salary adjustments deemed necessary to retain a faculty member are provided for at both Delaware State College and the University of Delaware. The agreement between Delaware State College and the AAUP addresses itself to offering matching funds to faculty who have received bona fide offers and to "correcting inequities not otherwise dealt with in (the) Agreement." Delaware State's contract provisions follow:

> 17.10 Additional Compensation
> In the event that the College wishes to make salary or fringe benefit adjustments which are more favorable than those called for in the Agreement to any individual member of the bargaining unit for purposes of matching a bona fide offer from a rival institution, or correcting inequities not otherwise dealt with in this Agreement, or of rewarding outstanding professional contributions, the College may do so. The Association will be informed of such action.

University of Delaware

The University of Delaware/AAUP contract allows for salary adjustments to "retain a faculty member" or "when salary disparities occur, relative to market demands." The following section appears in this contract:

> 12.8 A. It is recognized that situations may arise which will make it necessary for the University to make special salary adjustments for individual faculty members in addition to the annual increases provided in Articles 12.1 - 12.3. Such adjustments may be implemented by the University under the following situations:
> 1) when a salary adjustment is necessary to correct a gross inequity;
> 2) when a salary adjustment is necessary to retain a faculty member at the University;
> 3) when salary disparities occur, relative to market demands, which adversely affect the quality of an academic unit.
>
> 12.8 B. Salary increases may not be awarded to members of the bargaining unit other than as required or permitted by Article XII without prior discussion with the University of Delaware Chapter of AAUP.

Rio Grande College

A supply and demand supplemental salaries clause is contained in the agreement between Rio Grande College and the Rio Grande College Faculty Association. The clause provides for a ratio of qualified individuals to the number of jobs available.

> 4.3271 Supply/Demand. In disciplines where the ratio of qualified individuals can be demonstrated to be low compared to the number of jobs available, the President may offer a supply/demand supplement to an instructional contract that will enable the College to obtain a highly qualified instructor in an instructional position. If the number of such supply/demand supplements exceeds ten percent (10%) of the Instructional/Research staff, the President shall meet with the Faculty Association and present justification for the need of each new employee given a supply/demand supplements.(sic) Employees remaining on supply/demand supplement shall receive only 50% of negotiated increases or $1,000.00 per year, whichever is least.

University of Dubuque

The contract at the University of Dubuque between the NEA and the institution incorporates the concept of bona fide competitive offers with that of designating select fields for eligibility. The Dubuque clause states:

> 6. Extended contracts may be offered provided that the Academic Dean provides evidence to the Faculty Association upon request that the discipline in which the contract is to be offered is in high demand, the individual to whom it is offered provides evidence to the Academic Dean that he/she is currently receiving or has a bona fide offer of a salary which is above the individual's proper placement on the salary schedule, and such evidence is provided to the Faculty Association.
> 7. Individuals in the computer science or M.B.A. program may be paid any salary provided that the Dean provides evidence for the Faculty Association that the individual's current salary is above his/her placement on the salary schedule or that the individual has a bona fide offer of such a salary....

Saginaw Valley State College

Two agreements of the Michigan State College System contain market adjustment-salary equity provisions. In the Saginaw Valley State College agreement with the NEA, a provision for market adjustment of base salaries provides as follows:

> 5. MARKET ADJUSTMENT OF BASE SALARIES. The administration may, with the prior agreement of the Faculty Association, allocate an additional sum of money to base salary increases for purposes of market adjustments. The administration will provide a written report to the Faculty Association justifying the aforementioned adjustments.
>
> The total allocation may not exceed $9,000 in 1981-82, $6,000 in 1982-83, and $3,000 in 1983-84. The maximum allocation to a faculty member in a given year shall be $1,200. Receipt of such base salary adjustment in any given year shall not preclude receipt in another year (or years).

Ferris State College

The agreement at Ferris State College with the NEA combines salary equity and market forces adjustments into one contract clause. A sum of money has been designated to make adjustments for this purpose. The clause at Ferris states:

> 14.5 Salary Equity/Market Adjustments Committee
> 1. For the 1985-86 and 1986-87

academic years, the College agrees to make available a sum of money not less than $30,000 (excluding related benefit costs) for equity/market salary adjustments for bargaining unit members. Should any portion of the money made available for salary equity/market adjustments during any academic year remain unspent at the end of the year, that unspent portion will be added to the amount of money made available for this purpose in the following year. Amounts not implemented or planned for implementation in 1986-87 will be the subject of a special conference to determine a means to benefit bargaining unit members. All adjustments made shall become part of the recipient's base salary. The Association will be notified of all salary equity/market adjustments made as part of this adjustment plan.

2. A committee, consisting of three (3) members appointed by the College and three (3) members appointed by the Association, shall be established to participate in developing a method for analyzing salary equity/market adjustments and recommending that process to the Vice President for Academic Affairs.

Rider College

The agreement at Rider College with the AAUP provides for a salary adjustment in the event that an individual faculty member receives an offer from another institution. Akin to the "offer sheet" practice that exists in the contract between the Professional Basketball Players Union and the National Basketball League Owners Association in which a team may match the offer made to one of its players in an attempt to retain his services. The academic model works along similar lines. A professor who meets certain criteria, i.e., length of service may seek to have salary matched by the institution. The Rider language is set forth below:

ARTICLE XXXI
SALARY ADJUSTMENT

In the event that a full-time member of the bargaining unit who has been employed by Rider College for at least four years receives an offer of full-time employment from another institution of higher education, upon the presentation to the College of satisfactory documentation evidencing such offer of employment, the College may take any of the following actions with respect thereto:

1. The College may offer to increase the base wage rate of such bargaining unit member to an amount that either exceeds or equals the wage rate being offered by the other employer;

2. The College may offer to increase the base wage rate of the bargaining unit member by an amount that is less than the wage rate being offered by the other employer; or

3. The College may decline to make any offer of an increase in the wage of the bargaining unit member.

Responses by the College to offers of employment received by bargaining unit members shall be in writing and the College shall be limited to only one such offer. Copies of the documentation of the offer of employment from another employer, together with the College's written offer in response thereto, shall be forwarded to the AAUP by the College. Upon receipt of any such offer of increased compensation, which, if accepted, shall be made effective with the commencement of the next ensuing semester, the affected bargaining unit member shall be required to indicate, in writing, to the College, whether the College's offer is accepted. Such written response by the bargaining unit member shall be provided to the College within 15 days of the receipt of the offer from the College and a copy of the response shall be provided to the AAUP by the College.

Boston University

Although the contract at Boston University between the university and the AAUP has been the subject of much litigation and has now expired, the agreement did contain a clause which entitled the individual faculty member to request a bona fide offer from the administration. The Boston University clause states:

ARTICLE VII
MATCHING OFFERS

When a faculty member receives a bona fide offer from another institution, he/she may request that the Administration match this offer. The President may respond to the offer upon the concurrence of (1) the tenured faculty and the chairperson of the relevant department and the Provost; or (2) the relevant School APT Committee and the Provost; or (3) the University APT Committee and the Provost.

Western Montana College

In a somewhat unique situation, three of the contracts in the state of Montana contain clauses

dealing with the subject of market adjustment for salaries. The contracts at Western Montana College, Eastern Montana College and the University of Montana provide for some type of flexibility to address this problem. This either suggests that it is difficult to recruit faculty in Montana for certain disciplines or that the negotiators for both unions and administrations in Montana are far ahead and more creative than their counterparts in the rest of the country.

The clause at Western Montana College with the AFT provides for:

> 5. Market Adjustment - Critical Area Adjustment
> The market adjustment pool of not less than $9,000 for 1983-84 and for 1984-85 shall be made available to provide compensation increases to faculty in academic disciplines where external markets have made competitive recruiting or faculty retention difficult. This market adjustment amount may be apportioned among those academic units of the college deemed appropriate by the administration.

Eastern Montana College

The clause at Eastern Montana College with the AAUP provides for:

> 11.180 MARKET ADJUSTMENTS
> A market adjustment pool of not more than $66,000 for 1981-82, and $72,000 for 1982-83 shall be made available to provide compensation increments to faculty in academic disciplines where external markets have made competitive recruiting of(sic)faculty retention difficult. This market adjustment amount shall be apportioned among those academic units in accordance with the campus communication of May 20, 1982, entitled Eastern Montana College Calculation of Market Adjustments....

University of Montana

The clause at the University of Montana with the AFT provides for:

> 13.250 MARKET ADJUSTMENT/ CRITICAL AREA ADJUSTMENT
> A market adjustment pool of not less than $220,000 for 1981-82 shall be made available to provide compensation increments to faculty in academic disciplines where external markets have made competitive recruiting or faculty retention difficult. This market adjustment amount shall be apportioned among those academic units of the University deemed appropriate by the administration. Regardless of the actual expenditures for market adjustments during the term of this contract, the market adjustment pool shall be deemed to have been spent when the aggregate commitment to increases in the base compensation of those receiving market adjustments is equivalent to the market adjustment pool.

City University of New York

While no program or contractual arrangement for market force salary exists at City University, the parties have designated a joint task force to study and review the problem. The agreement with the PSC provides for the following:

> 24.5 The University and the PSC agree to establish a joint task force to study and review the need for and feasibility of establishing differential salary scales for teaching members of the instructional staff in particular academic fields or disciplines. The recommendations of the task force shall be advisory and shall be made jointly to the Chancellor of The City University of New York and the President of the Professional Staff Congress.

CONTRACT ANALYSIS

An analysis of the market forces clauses contained in the 15 collective bargaining agreements identified in our data base reveals an overall similar framework with some individual differences to adjust to campus needs. Concerning the question of salary adjustments to be used for the purposes of retention and hiring, 14 of the 15 contracts utilized this concept to retain faculty, while 7 activated this option for the hiring of new faculty. The only contract in which market forces adjustments are not offered for retention purposes is the Rio Grande Agreement. The contracts at CSU, the Minnesota State University System, the Vermont State College System, Rio Grande, Western Montana, Eastern Montana and the University of Montana all provide for salary increases or adjustments in the hiring of new faculty. Delaware State and the University of Delaware, appear to suggest that relief will be afforded in the hiring of new faculty.

The terms, "salary increase," "salary adjustment" or "salary improvement" are found in 8 of the agreements. Clearly, this means that the individual's base salary will be improved either for hiring or retention purposes. In 6 agreements, the term "salary supplement" or "salary bonus" is utilized suggesting that these are special payments made to accommodate this problem. None of the contracts contained provisions for the lowering of salary when a negative shift in the demand curve occurred. However, the agreements at Vermont State Colleges and Ferris State College contained provisions whereby the salaries would not be lowered when there was no longer a high demand for said discipline.

Concerning the effective period of increase for the market forces salary adjustment, 3 agreements specifically contained time limits ranging from one to two years. These were the contracts at CSU, Minnesota State University System and the University of Minnesota. The agreements at Vermont State Colleges, Rider College, Boston University and the University of Dubuque provided that these adjustments would be made a permanent part of the individual's salary base.

In 5 agreements, a special market forces or market equity adjustment pool of funds have been designated to award these increases. These clauses are found at Ferris State College, Saginaw Valley State College, Western Montana College, Eastern Montana College and the University of Montana. The CSU contract suggest numerous funding alternatives while in the other agreements no specific mention is made of the source of the funding.

The question of who initiates the action to receive a market forces salary adjustment is addressed in 11 of the agreements. At Delaware State, Rider, Boston University and Dubuque, it is the faculty member who initiates the request for a salary adjustment. In the other 7 agreements, responsibility lies with various members of the administration or the department itself. At Ferris State, a joint committee is charged with that responsibility.

The effective power to recommend a market forces adjustment is addressed in 11 agreements. No pattern is evident as to where the effective power to recommend lies, however, it appears that in most instances, it is an administrative prerogative. Only 2 agreements speak to the issue of grieving a market forces adjustment award. The University of Minnesota Agreement allows for grievances to be filed, while the Vermont State Colleges Agreement specifically excludes salary adjustments from the scope of arbitration. The other 13 contracts are silent on this issue but may have addressed it in the grievance definition or the scope of arbitration clauses.

Only 2 of the agreements designate specific disciplines for which market forces adjustments may be awarded. The Minnesota State University System delineates computer science, engineering, business administration (including finance, marketing, management, accounting and management information science) and nursing. The Dubuque Agreement specifies computer science and M.B.A. faculty but does not specifically exclude other areas. The other 13 agreements appear to place no restrictions on which disciplines may be considered for market forces adjustments; the very nature of the supply and demand problem would control. Three agreements allow the college administration to match a bona fide offer received by a faculty member from another institution. Delaware State, the University of Dubuque and the Boston University agreements contain such language.

SUMMARY AND CONCLUSIONS

Market forces adjustments are a relatively new item in academic collective bargaining agreements. The emergence of this issue attests to the shift in the supply and demand of the academic labor market and is a concern primarily to four-year unionized institutions. A National Center survey of this issue reveals 16 collective bargaining agreements that address this question. It is clear that while the specified disciplines and eligibility criteria may be subject to change, the concept appears to be an issue that will be increasingly negotiated in the future.

While market forces clauses appear in the minority of agreements, their presence indicates bilateral concern of this issue and a growing recognition of the use of the collective bargaining agreement to address problems that extend beyond the university. It is our belief that the negotiations of this type of clause will continue as market forces impact on both selected disciplines and geographic regions of the country. Whether or not these clauses continue the traditional salary grids or take the form of divergent schedules that currently exist for medical and law faculties, remains to be seen. It is not inconveivable that business and computer science faculties will be compensated in accordance with new clinical scales negotiated specifically for them.

We at the National Center would be interested in learning how campuses faced with this problem are addressing this issue. Therefore, we would appreciate your sending us examples of separate clinical schedules, market forces/equity programs, or any other related data.

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